



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

May 7, 2009

Gerald Wahlin, President
AAA Plating & Inspection, Inc.
424 Dixon Street
Compton, CA 90222

Dear Mr. Wahlin:

RE: FINAL MONITORING REPORT FOR AAA PLATING II SBP <100 (ET07-0382)

Date of the Visit:	05/07/09
Beginning/Ending Time:	9:30 a.m. to 12:30 p.m.
Date of Last Visit:	10/2/08
Visit Location:	Compton
Persons in attendance:	Marilyn Custer, ETP Coordinator, AAA Plating Margarita M. Paccarelli, Contract Analyst, ETP
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	05/07/07 – 05/06/09	Agreement Amount:	\$31,980
Training Start Date:	05/07/07	No. to Retain:	30
Date Training must be Completed:	02/06/09	Range of Hours:	8 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	41

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on May 29, 2007 and training began on May 7, 2007. Ms. Custer reported that all training was completed on February 6, 2009, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – May 6, 2009.

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

Since the inception of this Agreement, ETP approved the following changes:

- Amendment No. 1, executed on April 22, 2008, extended the ending term date by eight months from May 6, 2008 to January 6, 2009.
- Amendment No. 2, executed on December 15, 2008, added funds to your Agreement by \$11,700, from \$20,280 to \$31,980. The additional funds were based on a training assessment conducted by your project staff which shows that approximately 15 trainees need more training than originally planned. According to Ms. Custer, your company submitted a conservative training plan when this project was submitted to the Panel in April 2007. Since then, your company has increased its business and upgraded its processes, requiring cross-training of some employees.

According to Ms. Custer, some trainees who completed 60 hours will need additional hours in specialized training in NDT (non-destructive testing), which is very critical to their business. Therefore, this Amendment also changed the maximum hours to 200. With the additional training, the contract term was also extended by four months to May 6, 2009.

• FINAL PROJECT STATISTICS

Your Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 8 and 200 class/lab training hours. There will be no reimbursement for any trainee who does not complete a minimum of 8 hours of training from the required curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 27 trainees who met the minimum class/lab training hours with projected earnings of \$31,980 (100% of the Agreement amount). Since your company has received \$4,394 in progress payments, you will receive an additional \$27,586, if the anticipated number to retain is verified during the final fiscal closeout.

Ms. Custer was reminded that this Agreement ended in May 6, 2009. At this time, all active trainees must either be dropped or invoiced for final payment. By the terms of the agreement the final contract closeout should have been completed within 30 days of the end term date of the Agreement. The final contract closeout invoice and associated documents must be submitted to ETP on or before the close of business on June 6, 2009.

• INTERVIEW WITH CONTRACTOR'S REPRESENTATIVES

When queried as to the benefits of training, Ms. Custer reported that the company greatly benefited from the ETP-funded training. The training provided your employees the knowledge in quality documentation and non-conforming products which is very helpful in ensuring that they meet the quality standards required by the industry. Trainees also learned how to identify problems, make work-related decisions, and process improvement.

Ms. Custer also stated that she did not experience any problem with ETP record keeping and that ETP staff was very helpful in providing assistance in the administration of this project.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Enrolled:	28	Completed Retention:	27
Dropped Following Enrollment:	1	In Retention Period:	0
Completed Training:	27		

The project statistics provided by your project staff matches those listed on the current ETP Contract Status Report.

TRAINING RECORDS

Ms. Paccarelli conducted a random sampling of 10 trainees who completed training. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between 36 and 148 class/lab training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

It should be noted that the Analyst also verified that 7 out of the 27 trainees completed more than the original maximum hours of 60. The maximum hours had since been increased to 200 for some trainees who needed more than 60 hours. Records reviewed shows that 7 trainees completed between 7.83 to 148.92 class/lab hours.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccarelli at (818) 755-1317 or by email at mpaccarelli@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Wally Aguilar, Program Manager
North Hollywood Regional Office

Margarita M. Paccarelli, Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Marilyn Custer, AAA Plating & Inspection, Inc. (via email)
Master File
Project File

Date report mailed to Contractor _____